United Nations DP/2005/25

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.: General
22 April 2005

Original: English

Annual session 2004
13 to 24 June 2005, New York
Item 11 of the provisional agenda
Evaluation

Annual report of the Administrator on evaluation 2004*

Summary

The report on evaluation covering the period from July 2004 to March 2005, addresses the progress and challenges identified in the corporate function of evaluation. It further identifies the major findings of corporate evaluations, assesses the contribution of UNDP to selected development results and highlights the central organizational lessons. The analysis draws from 280 centralized and decentralized evaluations conducted during the year and a review of the function itself. The report integrates the evaluative work of all UNDP-associated funds and programmes. For the first time, the report contains a section on the follow-up to evaluations, and a separate annex listing all evaluations conducted during the reporting period is available for review at www.undp.org/execbrd.

Elements of a decision

The Executive Board may wish to take note of the report, and endorse its validation of the UNDP contribution to specific national development results and the identification of key organizational lessons. In particular, the Board may wish to acknowledge the substantial increase in the number of outcome evaluations conducted during the year, addressing the concern raised in 2003.

Further, the Board may recognize the progress made in building the results-based evaluation capacity of UNDP staff, and moreover the support of broader national and international professional evaluation coalitions. The Board may be pleased to note the progress made in harmonizing and simplifying evaluation in the United Nations system through the work of the United Nations Evaluation Group (UNEG).

The Board may choose to endorse the codification of an evaluation policy for UNDP during the 2005 reporting period, and the formalization of a system for tracking evaluation recommendations. Further, it may wish to highlight the importance of seeking synergy through evaluation among UNDP and its associated funds and programmes in enhancing the accountability of the organization.

* The compilation of data required to present the Executive Board with the most current information has delayed submission of the current document.

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I. The evaluation function

1. Evaluation serves to provide an independent, credible and balanced perspective on the intended and unintended effects of interventions on people's lives. Supporting this, the evaluation function in UNDP has four primary responsibilities: to establish and ensure standards in the practice of evaluation; to enhance the organization's capacity to conduct and use evaluations; to expand and strengthen the body of evaluative knowledge upon which results can be improved; and to build professional partnerships to enhance the relevance and responsiveness of UNDP.

2. The corporate evaluation offices of UNDP and its associated funds and programmes independently manage corporate strategic and thematic evaluations. In addition to these centrally managed evaluations are decentralized evaluations undertaken by those who manage programmes at the country, regional and global levels, working with Governments and other United Nations organizations. Governed by established standards, the decentralized evaluations generate lessons for programme improvement and provide evidence for corporate accountability at country and corporate levels.

Reviewing performance

3. During the 2004 reporting period (July 2004 to March 2005), UNDP and its associated funds and programmes completed 18 centrally managed evaluations, including an organizational assessment of the United Nations Development Fund for Women (UNIFEM); 4 country evaluations or reviews (China, Jamaica, Mongolia and Mozambique); and 3 thematic Global Environment Facility (GEF) evaluations. This represented a slight proportional decline in numbers from 2003. In UNDP, this was due to the cycle of country evaluations overlapping reporting periods, with eight reported last year in comparison with three, and to an intensive focus on the review of the evaluation function. In the United Nations Capital Development Fund (UNCDF), a slight reduction in the number of evaluations conducted was due to resources devoted to the organizational impact assessment and associated follow-up. The findings and utilization of these evaluations are reported in sections II and III.

4. A total of 262 decentralized evaluations were conducted during the year, primarily project and outcome evaluations conducted within a single country and also regional and global assessments. These evaluations were conducted in 60 per cent of all countries in which UNDP and its associated funds and programmes were working. The scope of that coverage was broad, with an average of 3.1 evaluations per country in which at least one was conducted (see annex, section A). The highest proportion was in the Asia and Pacific region, with 84 per cent of offices conducting at least one evaluation; the lowest proportion was in Africa, with 53 per cent of offices conducting at least one evaluation.

5. The coverage of outcome evaluations improved dramatically in the 2004 reporting period, with 37 conducted, a proportional increase of 70 per cent over the 2003 figure (see annex, section B). The largest share of these was carried out in Asia and the Pacific, followed by Europe and the Commonwealth of Independent States (CIS). Of the 15 countries with programme cycles ending in 2004 and thus subject to compliance, one third (33 per cent) completed the requisite number of evaluations; another third complied partially, having conducted at least one but not the required number; and the remaining third did not conduct any outcome evaluations (see annex, section C). The total value coverage of UNDP

projects and programmes through the outcome evaluations conducted in the 2004 reporting period was estimated to be just under $380 million. This calculation was based on 17 outcome evaluations that reported the total budget of the projects and programmes covered by each, extrapolated over the total number of evaluations (37).

6. The review of the UNDP evaluation function completed for the 2004 reporting period underscored that evaluation practices, as well as standards, capacities and demands, are highly variable across the organization. The results-oriented framework introduced in late 2001 was found to have only partial relevance in operational practice: some offices are planning, monitoring and evaluating around outcomes derived from national strategies, whereas others are still planning and conducting discrete project-based interventions, sometimes with weak review mechanisms and no evaluations. Evaluation budgeting had not been standardized at either the regional or the country-programme level, and monitoring often takes the largest share at the project level. Few offices have a professional post for monitoring and evaluation. The review concluded that supporting improvements in practice would require a clear evaluation policy, one that establishes principles, implementation methods and procedures for quality assurance.

Improving and ensuring evaluation standards

7. The development of a policy has been a critical activity of the evaluation function in UNDP during the latter half of the 2004 and will be completed in 2005. Aligned with the norms and standards issued by UNEG in April 2005, the policy is intended to situate itself firmly within the priorities of General Assembly resolution 59/250, which emphasizes national leadership of evaluations and United Nations reform.

8. Quality assurance in evaluations continues to be provided in the design of evaluation frameworks and plans in the context of the United Nations Development Assistance Frameworks (UNDAFs) and country programme action plans. The evaluation units of UNDP, United Nations Volunteers (UNVs) and UNIFEM support pre-evaluation assistance by managing consultants' rosters and providing methodological advice, and offered post-evaluation support by reviewing draft reports, undertaking debriefings and disseminating lessons. The UNCDF evaluation unit provides a full management and quality assurance service for all independent evaluations of UNCDF programmes, from initiation and planning to debriefing. Maintaining the coverage and quality of service in the face of increasing demand has been an issue for all units.

9. Within UNDP, the Evaluation Office has continued to be an integral part of the oversight group with the Office of Audit and Performance Review and the Operations Support Group. These offices clarify and strengthen the accountability framework and the system of oversight by providing quality assurance, rapid assessment and trouble-shooting.

Fostering learning and capacity

10. The Evaluation Office organized a series of workshops in the five regions over the 2004 reporting period, bringing together resident representatives, deputy resident representatives, evaluation officers, focal points and government counterparts for dialogue on the evaluation function, to exchange practices and contribute to an evaluation policy. The workshops highlighted the demand for the

United Nations and UNDP to integrate their efforts with those of national monitoring and evaluation systems.

11. The GEF held three regional workshops – in Latin America and the Caribbean, Asia and the Pacific, and Europe and CIS – during the 2004 reporting period. These workshops focused on improving the integration of environmental objectives into UNDP programmes, raising project evaluation standards and improving the use of impact indicators by country offices managing GEF initiatives.

12. Corporate training in evaluation expanded in the 2004 reporting period. More than 175 staff members, including deputy resident representatives, programme officers and staff in the Leadership Development Programme, attended training with an evaluation component. A new two-week integrated modular course, addressing results-based planning, programming, monitoring and evaluation, was launched with the UNDP Learning Resources Centre.

13. UNDP provided evaluation orientation and training to several countries initiating development assistance programmes, including Thailand and Viet Nam, and conducted evaluation methodology training in a workshop hosted by the Japanese Government for government officials from more than 25 Asian countries. In the 2004 reporting period, approximately one quarter of all country offices engaged in capacity-development programme activities for monitoring poverty, gathering statistics and building evaluation frameworks.

Managing evaluation knowledge

14. Several technical guides were developed or updated during the reporting period. UNIFEM produced a guide and training module to promote consistency and capacity among staff on results-based management from a gender and human rights perspective. UNDP was completing the programming manual, intended to cover designing, operating, monitoring and evaluating programmes and projects, which is scheduled to be launched later in 2005.

15. The Evaluation Network (EvalNet) facilitated the exchange of UNDP staff knowledge and experience. EvalNet introduced a bimonthly resource package containing new materials, workshop announcements and links in English, French and Spanish. The network continued to expand, with membership up 28 per cent from 2003, to almost 700 members. The United Nations Evaluation Forum provided a platform for dialogue for the United Nations Evaluation Group (UNEG) across the system on topics ranging from the evaluation of illicit trafficking in cultural property to comparative country-office experiences with government evaluation manuals.

16. The Evaluation Resource Centre, the on-line service for country offices, bureaux and units, contained more than 480 evaluation reports, summaries and key lessons. The Centre serves as a source of information in the design of evaluation, enabled staff to draw from the extensive body of terms of reference and various evaluation methodologies. Its priorities for 2005 are to simplify access to cumulative lessons derived from evaluations and to become integrated into Atlas.

Building professional partnerships

17. UNDP and its associated funds and programmes actively sought to strengthen professional partnerships with national agencies, networks and donors through evaluation. In November 2004, UNDP held an international workshop in New York on assessing development results at the country level, with experts from more than

20 government, multilateral and bilateral agencies and research institutions. Several United Nations agencies, the World Bank, the Inter-American Development Bank (IADB) and bilateral donors, including Denmark, the Netherlands and Sweden, shared methodological approaches and practical experiences. UNDP was subsequently invited to share its experience with a number of these partners, including the IADB board. In the coming year, UNDP expects to refine its country evaluation methodology, particularly in the area of government leadership.

18. UNDP continued to support international, regional and national evaluation associations. The International Development Evaluation Association's first biennial conference was held in April 2004, focusing on evaluating development beyond aid. At the third annual conference of the Africa Evaluation Association (AfrEA), held in South Africa in December 2004, UNDP coordinated a panel on assessing national ownership. UNIFEM, a co-sponsor of the conference, coordinated a session on gender and rights-based monitoring and evaluation. UNIFEM continued to partner with AfrEA in developing a network of gender evaluators in Africa to build capacity in gender and human rights-based monitoring and evaluation in the region and to support the evaluation of UNIFEM programmes.

19. Through the Development Assistance Committee network on evaluation, UNDP volunteered as a pilot agency for the testing of a new approach to evaluating multilateral organizations' performance. Partnerships with the evaluation offices and operational divisions of bilateral agencies, including those of the Netherlands, Norway, and the United Kingdom, were also strengthened. Several joint evaluations also took place. These included: UNDP with the Government of the Netherlands on the linkages between democratic governance and poverty reduction, with Canada and Norway on gender mainstreaming; UNCDF with Norway on the Mozambique local development programme; and UNIFEM with the United Kingdom on its peace and security programme.

Supporting evaluation in the United Nations

20. General Assembly resolution 59/250 (2004) formally recognized UNEG and encouraged it to make further progress in system-wide collaboration on evaluation, in particular, on the harmonization and simplification of evaluation methodologies, norms, standards and cycles. UNDP serves as chair and secretariat for UNEG. A framework of evaluation norms and standards on the fundaments of, inter alia, accountability, impartiality, credibility and ethics to guide all evaluation activities in the United Nations system has been the unifying achievement of UNEG during the year. UNEG also considered how it could enhance clarity in country-level coordination mechanisms. It also advanced its core work in results-based management, the UNDAF process, and joint evaluations.

21. United Nations country teams in Mauritania and Senegal held a regional workshop with representatives of the Governments, private sector, civil society and United Nations agencies and organizations to discuss monitoring and evaluation capacity needs related to achieve the millennium development goals (MDGs), the New Partnership for Africa's Development and poverty reduction strategy (PRS) objectives in Central and West Africa. It was concluded that strategies need to be designed and implemented with the support of existing national networks, and that demand from policy makers would be stimulated through harmonizing capacity-building approaches.

22. The first round of new UNDAF evaluations is scheduled for 2006, and the United Nations Development Group (UNDG) working group on monitoring and

evaluation developed draft guidelines for UNDAF evaluations. The evaluation offices of UNDP and other Development Group Executive Committee agencies are considering conducting evaluability assessments of the pilot UNDAF results matrices to strengthen this process. Inter-agency joint evaluations have been conducted at country and regional levels, including a UNV, UNDP and UNAIDS assessed the greater involvement of people living with HIV/AIDS (GIPA) in Cambodia; and UNV and UNICEF assessed the UNV network for adolescents' and children's rights in Central America and the Dominican Republic. UNDP is also a member of an inter-agency team conducting an evaluation of assistance in the tsunami-affected areas.

II. Evaluations

A. Centrally managed evaluations

Strategic and thematic evaluations

23. An organizational assessment of UNIFEM, focusing on its response to United Nations reform, was conducted in 2004 to provide the Consultative Committee with options to maximize the ability of UNIFEM to implement its mandate. A global assessment of UNV involvement in GIPA, based on regional evaluations in Africa, the Caribbean and Cambodia, found that government bodies and well-established agencies were best suited to host UNVs involved in GIPA projects, and that training and support for groups and networks were the most effective activities in the fight against HIV/AIDS.

24. The GEF monitoring and evaluation unit conducted three multi-country programme studies: on biodiversity, climate change and international waters. These evaluations covered the entire UNDP GEF portfolio in these focal areas, and the findings were reported to the GEF council in November 2004. Under the guidance of the evaluation office of the Multilateral Fund, the Montreal Protocol Unit independently evaluated the Halon banking project, covering several regional and national programmes in the Gulf region, Africa and the Caribbean, and is completing an evaluation of methyl-bromide projects.

Evaluation at the country level

25. Since their introduction in 2002, UNDP has completed assessments of development results (ADRs) in 13 countries. During the reporting period, ADRs in Bangladesh, China, Jamaica, and Mozambique were finalized; ADRs in Honduras, the Syrian Arab Republic, and Yemen are under completion.

26. Over the past decade, Bangladesh, one of the largest recipients of UNDP core funding, achieved an average GDP growth rate of 5 per cent per annum, with significant gains in human development and a modest decline in income poverty. The ADR focused on UNDP support for decentralized governance leading to poverty reduction and a sustainable environment. In the Sirajganj district, a pilot UNDP/UNCDF initiative strengthened the capacity of the locally elected Union Parishads to undertake local development initiatives in a participatory manner, contributing to the Government's decision to allocate block grants directly to all Union Parishads and to adopt performance-based funding for its grant allocations to all local government bodies. UNDP partnerships with the Government, non-governmental organizations (NGOs) and the media enabled it to coordinate the promotion of environmental policy. The ADR concluded that UNDP support to

Bangladesh on governance issues should continue to undertake pilot initiatives while selectively pursuing sensitive issues fundamental to good governance, such as the *Human Security Report*.

27. The ADR in China assessed a sizeable programme of $350 million. In the field of governance, the programme successfully addressed sensitive issues, although the ADR questioned the extent of its actual impact. In poverty reduction, policy advocacy through the national human development report (NHDR) and the MDG report was highly effective. UNDP was found to be prominent in addressing the HIV/AIDS epidemic, presenting the facts and initiating public discussion, and it was recommended that work in this area be scaled up. UNDP initiatives also concentrated on building the national capacity to implement environmental policies and to meet the nation's commitments under global environmental agreements. The evaluation suggested that greater impact could be achieved by providing Chinese policy makers with increased access to information, developing capacity for more complex policy analyses and informing policy advocacy on emerging issues.

28. In Jamaica, the ADR raised questions about the role of UNDP in a small island country with a medium rank on the Human Development Index, and a country office with limited resources. With UNDP support, the Government of Jamaica adopted the national poverty eradication plan and the national environmental action plan. UNDP and the United Nations Department of Political Affairs (DPA) had jointly contributed to enhancing the legitimacy of the 2002 electoral process. However, UNDP was less successful in achieving outcomes in governance, notwithstanding its implementation of a significant programme in decentralization and local development.

29. Findings from the Mozambique ADR suggest that UNDP has to respond to new challenges. After many years of civil war, Mozambique was growing steadily and peacefully, although with considerable inequity in human development indicators. In the immediate post-conflict phase, the ADR found UNDP had excelled in piloting a much-replicated local governance and decentralization model. UNDP had also contributed to a sustainable peace by developing key government institutions, providing election assistance and helping form key non-governmental institutions, including the national AIDS council. Since then, however, UNDP had not re-positioned itself to contribute substantively to the poverty-reduction strategy and the evolving country framework for development cooperation. The ADR concluded that UNDP could improve its relevance by supporting government capacity in areas required to manage direct budget support, by championing United Nations system collaboration and by increasing efforts to enable civil society to have a genuinely independent input into the poverty-reduction process.

30. A review of the UNV country programme in Mongolia assessed the programme's contribution and impact across all intervention areas during the period 1999-2004. The review found that the unique role of volunteers as facilitators often differentiated them from consultants or technical advisers and enabled them to be effective advocates for volunteerism, particularly in local governance projects.

Evaluation at the project level

31. UNCDF concentrated on project-level evaluations, considered critical for an organization focused on piloting and early-phase interventions in the areas of local development/decentralization and on building inclusive financial sectors. Four mid-term evaluations conducted during the 2004 reporting period covered joint UNCDF/UNDP local development programmes in Burkina Faso, Malawi,

Mozambique and Uganda. The evaluations sought to assess whether pilots were achieving the intended results in the areas of poverty reduction through decentralized, participatory planning and the management of service delivery at local levels, and in terms of policy impact and broader replication of the piloted models. One evaluation of a UNCDF-supported MicroStart (microfinance) project in Yemen was also conducted.

Follow-up of evaluation recommendations

32. The performance of evaluations is critically reflected in the extent to which recommendations are considered, adopted and adapted for existing and future programming. The recommendations of the UNCDF impact assessment were recognized in Executive Board decision 2004/13, particularly with respect to the financial viability of the Fund and its relationship with UNDP. The UNIFEM assessment considered how the Fund could better act within the United Nations system to promote women's empowerment and gender equality in the context of the 10-year review of the Beijing Platform for Action and the 5-year review of the Millennium Summit. The assessment's recommendations were discussed within UNIFEM, and the report, along with a management response, will be presented to the annual session of the Executive Board.

33. The uptake of UNDP ADRs are tracked through the extent to which management responses are forthcoming, national workshops take place and recommendations are considered and adopted in new country programme documents ratified by the Executive Board. During the 2004 reporting period, the findings and recommendations of ADRs for Turkey and Ukraine were disseminated through national workshops. New country programme documents (CPDs) underwent internal reviews in countries that had recently completed ADRs, Bangladesh, Bulgaria, China and Turkey (with the new programme document in Ukraine still under development). In each case, CPDs were found to build upon ADR recommendations, although with varying degrees of selectivity. The model case of a management response to date was that of Turkey, which contained a chart clearly listing recommendations, the UNDP unit responsible, the management response and a clear-cut strategy for addressing the response. This approach will be considered as a standard for all tracking and reporting of responses and follow-ups.

B. Decentralized evaluations

34. Thirteen evaluations were conducted or commissioned by those managing programmes at the global and regional levels during the 2004 reporting period. For UNDP, this included the mid-term evaluation of the regional cooperation framework (RCF-II) for Europe and the CIS, being presented to the Executive Board at its annual session; and four regional project evaluations conducted in the Arab States under the auspices of the regional cooperation framework, each of which will contribute to the centrally-managed evaluation of the RCF-II for the Arab States, which is currently under way.

35. In East and South-East Asia, the cross-regional UNIFEM programme on monitoring the implementation of the Convention on the Elimination of Discrimination against Women (CEDAW) was evaluated. The evaluation concluded that the process has helped NGO representatives understand the substantive content of CEDAW and that good practices have emerged in the systematic follow-up to the CEDAW committees. UNIFEM also evaluated three subregional projects supporting networks. In one of these, the regional network in Central America and the

Dominican Republic, the evaluation of the UNICEF/UNV programme highlighted that, in just two years, laws had been approved on child work, the adoption of children and the protection of children from domestic violence and sexual abuse.

36. The evaluation of GEF-funded projects necessarily pay special attention to the achievement of global environmental benefits as well as to cross-cutting factors, such as the sustainability and replicability of results. Three of the 44 decentralized evaluations conducted in the 2004 reporting period focused on regional projects: a final evaluation of the TVE electronic media project covering Latin America and the Caribbean; the mid-term evaluation of the project strengthening the implementation capacities for nutrient reduction and transboundary cooperation in the Danube River Basin; and an assessment of the implementation of the strategic action programme for the Red Sea and Gulf of Aden.

Evaluations at outcome and project levels

37. A total of 37 outcome evaluations were conducted across all geographical regions and in all sectors of UNDP operations during the reporting period. Many such evaluations focused on contributions to achieving the MDGs and poverty reduction (32 per cent), followed by those assessing democratic governance (27 per cent). The evaluation of HIV and AIDS outcomes, however, dropped from 7 per cent in 2003 to 3 per cent in 2004. There was also regional disparity: two thirds of all outcome evaluations were conducted in Europe and the CIS and Asia and the Pacific; only one in 10 offices in the Arab States and Africa conducted an outcome evaluation.

38. The 212 project evaluations conducted during the reporting period covered all practice areas and geographical regions. The vast majority of these were conducted by UNDP (161), and a further 40 in GEF projects, all run from UNDP country offices. UNV carried out nine project evaluations in the year, most in the area of achieving the MDGs and poverty reduction, two in responding to HIV/AIDS, and one in democratic governance. UNIFEM conducted a single project evaluation on the peacebuilding and mediation processes project in Burundi.

Follow-up of evaluation recommendations

39. UNDP does not currently track the follow-up to recommendations from decentralized evaluations. A provision to enable the Evaluation Resource Centre to do this has not yet been institutionalized across the organization. The new evaluation policy is expected to examine this issue in the context of using evaluations to improve decision-making.

III. Development results

40. This section presents the evidence from evaluations configured around corporate goals. The themes under each subsection are not necessarily service lines from the multi-year funding framework (MYFF) but are derived from clusters of evidence. It is recognized that the focus and coverage of evaluations conducted in a single year do not constitute a validation of the full field of results.

A. Achieving the millennium development goals and reducing poverty

Pro-poor policy reform

41. Evaluations during the 2004 reporting period underscore that UNDP was most successful in contributing to pro-poor policy changes when it assumed a strategic positioning based on its comparative advantages, facilitated debate, strengthened its coordinative functions, linked with its pilot initiatives and multiplied its advocacy function through dissemination of NHDRs and other tools. Where these functions are not performed, the work of UNDP and its associated funds and programmes, although benefiting communities, rarely impact upon national poverty reduction.

42. The evaluation of UNDP work in Benin, for example, demonstrated the importance of bridging the macro and micro levels to contribute decisively to poverty reduction. UNDP contributed through assistance for the institutional framework, for capacity-building (best practices, organization, structuring), and for the institutional development and financial feasibility of microfinance institutions. Evaluations of networks of home-based workers that undertook policy advocacy supported by UNIFEM demonstrated a contribution, in the Philippines, to national anti-poverty policies and, in Thailand, to the passage of health insurance and amendment of social security schemes.

Institutional capacity development for human and income poverty assessment

43. In general, institutional arrangements and the capacity for measuring and monitoring poverty to ensure the implementation of a poverty-reduction policy continue to be identified as inadequate, despite extensive UNDP support. Good practices, however, were found in Moldova, where UNDP support for the poverty policy monitoring unit of the Ministry of Economy contributed to the development of adequate capacity to produce updated statistics, analyses and three annual poverty reports, although the project had yet to become an integral part of the poverty-reduction strategy process. Likewise in Somalia, UNDP, together with the World Bank, is supporting a unit that helps provincial governments and civilian organizations assess the socio-economic and macro-economic situation. The evaluation highlighted that UNDP could usefully expand support for the gathering of reliable statistics in countries in conflict situations.

44. In India, UNDP support through community-based pro-poor initiatives for capacity-building on gender-sensitive data collection, indicators and monitoring has contributed to the incorporation of gender audits and gender-responsive institutional analysis in line ministries. Likewise, a regional gender economic justice project in Central and Eastern Europe supported by UNIFEM produced tools for country gender assessments and information kits for advocacy linked to gender equality, women in labour markets and European Union accession.

Local poverty initiatives

45. UNDP and its associated funds and programmes continue to work at community and local levels through pilot demonstration projects for scaling up and influencing upstream policy development. Examples evaluated included, in China, a project to combat desertification, and in Soum province, Burkina Faso, work by UNDP and UNCDF to create and strengthen participatory, community-based inter-village structures. The latter evaluation identified local achievements but noted the difficulties resulting from an incomplete institutional architecture and the scarcity of resources and revenue of local governments.

46. In Bulgaria, the evaluation found that the Job Opportunities through Business Support (JOBS) project, with equal focus on poverty reduction and rural and business development, influenced the growth of an entrepreneurial spirit in rural areas, stimulating the local economy. The Government replicated the initiative nationally and included it in its national employment action plan. Supporting new businesses was also the focus of UNV work in the United Republic of Tanzania, facilitating the licensing, registration and training of some 1,300 informal construction workers in the capital city.

47. The UNDP programme in the Kyrgyz Republic on microfinance encompasses micro-enterprise development along with policy support. The evaluation highlighted extensive social mobilization and empowerment, reaching more than 14,000 members, and 2,000 savings and microcredit groups, with an excellent gender balance (53 per cent women). The programme has demonstrated impressive performance in access to credit and income generation, although the sustainability of some areas was questioned. Moreover, reproducing the programme nationally through the transformation of Kyrgyzstan's rural economy remains a challenge.

B. Fostering democratic governance

Reform of policy frameworks and policy-making

48. UNDP continued to support political reform and strengthening of the rule of law and institutional frameworks to promote enabling environments for broad-based dialogue and policy for democratic governance. The scope of initiatives vary according to the political situation in the programme countries. In Nicaragua, the evaluation found that UNDP was a trustworthy interlocutor fostering political dialogue among opposing forces on key issues. UNDP provided support to the aid-coordination mechanism on democratic governance and worked with the parliament, the judicial system and the national police on citizen security. In the Lao People's Democratic Republic, UNDP support to the national assembly, Ministry of Justice, courts, and the office of the public prosecutor contributed to increased debate on the issue of governance. In Serbia and Montenegro, UNDP is supporting judicial reform through a new judicial training centre.

Institutional capacity in public-sector management

49. Public-sector management and the reform of public administration is also an important area of UNDP work. In Lebanon, UNDP supported the signing of international trade agreements (including accession of Lebanon to the World Trade Organization), integrating national accounts, improving the fiscal programme and management of the public debt and administrative reform. The programme was able to mobilise significant resources from the international community. In Zimbabwe, UNDP has pointed out the need for a more coordinated and integrated approach to civil service reform involving line ministries and the participation of civil society. UNDP helps Vietnam in improving capacity for handling the public debt and in public administration reform, effectively supported Egypt to strengthen the capacity of the Ministry of Foreign Trade for economic management, and improved customs operations in Yemen. In Albania, UNDP helped the Training Institute for Public Administration to acquire a solid institutional foundation and capacities for civil service training.

Decentralization, social mobilization and local governance

50. UNDP promotes political and administrative decentralization through support for the drafting of new laws, social mobilization for local governance, local capacity-

building and the fostering of broad-based ownership. In Libyan Arab Jamahiriya, UNDP supported national decentralization policies and a database that facilitated budgetary allocations from central to local institutions. In Kyrgyzstan, despite the drafting of rules and regulations for decentralization, the exogenous factors of approval and implementation of laws minimized the potential benefits.

51. Evaluations have acknowledged the added value of UNCDF local development programme pilots, many of which were scaled up and influenced national policy. Tangible results have been identified in developing and testing innovative procedures for more effective planning, budgeting and service delivery. These have included the introduction of a local development fund with an incentive based budget allocation, considered to be a highly innovative step to support decentralized planning (Mozambique, Burkina Faso). In Uganda, significant results were forthcoming in new areas such as access to local justice, and gender-mainstreaming considerations in the decentralized planning and management of service delivery, which fed directly into the nationwide scaling up of the programme. The constraints identified were the sustainability of planning processes; generation of local revenue sources; inappropriate legal frameworks; and difficulties in systematically producing lessons, which sometimes constrained the strategy to expand the programme and impact policy.

Improving political and civic rights

52. Working jointly with DPA, UNDP has supported electoral reform and the carrying out of transparent elections, as in Jamaica. UNDP strengthened human rights institutions, as in Nicaragua and the Russian Federation. In the latter country, a programme for raising human rights awareness and related policy developments was successfully implemented. The evaluation found that the programme provided support to the state parliament in human rights, promoted debate through multisector round tables, and set up women's management centres to help women's groups participate in public life.

53. The UNIFEM-supported programme on promoting women's human rights through the elimination of violence against women helped put this issue on the political agenda in East and South-East Asia, notably through the passage of a domestic violence bill in Mongolia and the Philippines. Among good practices documented was the one-stop crisis centre in Thailand, which offered support to meet immediate, medium-term and long-term needs of survivors of domestic violence.

C. Energy and environment for sustainable development

Strategy and policy support

54. UNDP works on environmentally sustainable development issues in many programme countries, often supported by GEF. In Bangladesh, UNDP support for the conversion of motorized rickshaws and buses to operate with compressed national gas has dramatically improved the environment. In Indonesia, the programme supported the establishment of a national council for sustainable development to strengthen policy coordination among ministries and agencies. A national policy on Clean and Green Cities is being implemented in 130 cities. In Nepal, UNDP contributed significantly to sustainable environmental policies, rural biodiversity conservation and renewable energy, and supported the formulation of the sustainable development agenda of Nepal and the application of the Capacity 21 approach.

55. UNDP/GEF support for work in international waters generated considerable achievements, including the Caspian Sea Convention, the Dnipro Basin Agreement and the Pacific Tuna Treaty. A GEF global study validated these agreements as major steps towards sustainable development of important international basins.

Local sustainable development initiatives

56. UNDP continues to support initiatives that provided assistance in capacity development and local demonstration projects on rural and municipal energy, including biodiversity conservation and sustainable-use objectives as part of local and national sector plans and strategies. In Bhutan, the programme contributed to major achievements in biodiversity conservation, supporting the biodiversity action plan and making operational the first protected area in Bhutan. The global biodiversity evaluation outlined GEF operations contributing to policy and legislative changes in a number of sectors.

Control of emissions and persistent organic pollutants

57. An evaluation of the GEF global climate change programme highlighted the complexity of assessing its impact on the reduction of carbon emissions. Results were achieved primarily through market transformations that promoted energy efficiency and renewable energy, catalysing long-term impact beyond direct effects on emissions. The evaluation found that the UNDP-implemented 'rapid commercialization of renewable energy in China' project has achieved good results, with industrial biogas demonstrating commercial viability. An evaluation of the reduction in ozone-depleting substances across 25 countries found that, with few exceptions, countries had reduced their consumption in accordance with the targets set by, or even ahead of, the Montreal Protocol schedules.

D. Crisis prevention and recovery

Conflict prevention and peacebuilding

58. UNDP has supported a portfolio of projects dealing with conflict prevention and peacebuilding on one side, and interventions connected to prevention, preparedness and management of natural disasters on the other. Building on its experience in other conflict and post-conflict situations (Afghanistan, Bosnia and Herzegovina, and Cambodia), UNDP supported an initiative in Tajikistan aimed at the disarmament, demobilization and reintegration of ex-combatants and the conversion of military assets to civilian use. The evaluation found that more than 4,000 ex-combatants directly benefited from the mechanism set up to enable them to return to civilian life with support and retraining in civilian employment skills, while concurrently assisting in the rehabilitation of their communities after the ravages of the civil war. A similar initiative carried out in the Democratic People's Republic of the Congo generally achieved short- and intermediate-term objectives related to disarmament and the reintegration of ex-combatants. However, evidence on the wider impact of armed violence and criminality was more limited. In Niger, the intervention was more modest in scope, but demonstrated that it was possible to collect arms in a vast outlying zone of 120,000 square kilometres, and has contributed to peace consolidation.

59. The success of Burundi women's participation in the peace process may be gauged by the incorporation all bar two of their recommendations in the Arusha Peace Accord. Two strategies proved useful; first, the development by UNIFEM of a knowledge base on peace and security in Burundi, putting it in a credible position to provide advice and technical support on the gender dimensions of the peace process

to other agencies involved; and second, creating women's peace networks and linking them to relevant regional and international organizations

Natural disaster reduction

60. UNDP launched comprehensive initiatives in Bangladesh and Viet Nam to build capacity and forge consensus for disaster reduction related to floods and other environmental devastation. In Viet Nam, the programme assisted in the preparation of the action plan for disaster mitigation and management, which defines disasters in a broad sense, integrating the effort into poverty reduction, and contributed to strengthening government capacity. In both countries, UNDP was found to have successfully advocated a paradigm shift in disaster management from conventional response and relief practices to a risk-reduction culture.

E. Responding to HIV and AIDS

61. In the area of HIV/AIDS, UNDP has provided assistance to programme countries through a multifaceted strategy with a variety of services. An evaluation of the programme in Ukraine, where UNDP was implementing an innovative pilot initiative on HIV/AIDS and promoted healthy lifestyles in young people through peer education, found evidence of the project's success in visible changes among youth, teachers and parents, particularly in changes in youth's attitudes and behaviour in the target group. United Nations agencies, school directors, local authorities and parents expressed full support for this project and called for its expansion to all schools as a means of building a healthy and active nation.

IV. Organizational lessons

62. Evaluations conducted during the 2004 reporting period raised issues regarding the organization's positioning, including its partnership strategy; and the extent to which it used a results-based approach to contribute to development effectiveness, including attention to how it faced the challenges posed by development drivers.

A. Relevance

63. Evaluations continue to reveal that the strategic positioning of UNDP as an impartial and trustworthy organization and its ability to respond to major development concerns and to provide access to expertise and global information are key for UNDP to be relevant. Where this occurs, this legitimacy leads to stronger partnerships, and can increase the mobilization of resources. Advocacy through NHDRs and other instruments was found to be important for countries entering into political transition. Such advocacy raises awareness and promotes critical human development issues such as conflict resolution through pacific means, the rule of law, human rights, social participation and the empowerment of communities through decentralization. In some cases, advocacy has allowed the raising of awareness of sensitive cultural issues such as women's rights or HIV/AIDS.

64. The evaluations undertaken in 2004 have demonstrated that wherever UNDP gained recognition as an impartial and legitimate broker, it mobilized support from Governments and international donors and made relevant contributions to facilitate dialogue and consensus-building on the rule of law and democratic practices, as in the Lao People's Democratic Republic and Nicaragua. The trust of key partners such as the League of Arab States and the Arab Parliamentary Union allowed the UNDP regional programme on governance to raise sensitive issues in the Arab States

regarding gender equity and democratic rights. Similarly, trust among partners led to support for addressing the sensitive issue of HIV/AIDS in China. A strategic position and strong partnerships allowed the regional programme for Europe and the CIS to support country offices in facing critical situations such as political conflict in Georgia. Likewise, the positioning and responsiveness of UNCDF in supplying technical services to Governments has been consistently highlighted.

65. Another means by which the relevancy of UNDP has been enhanced is through start-up pioneering interventions. The success of the demobilization of ex-combatants in Tajikistan may have been impossible were it not for UNDP investments that provided the foundation for the programme to commence operations. This support then provided an attractive framework for third-party donor funding. However, other interventions may require a strategic repositioning of UNDP to gain larger impact or to ensure positioning in the marketplace, an issue addressed in UNCDF evaluations. Evaluations point to numerous poverty-reduction initiatives working almost exclusively downstream and public-sector management efforts that concentrated on reform only of certain line ministries. However effective UNDP programmes have been within a narrow sphere of activity or territorial level, they may have greater benefits if they facilitate reform at a higher level of national importance.

B. Effectiveness

66. Evaluations point to gradual but uneven progress of UNDP in the institutionalization and use of corporate results-based management. Although recognizing that the project is a valid unit at the level of implementation, evaluations often highlighted the failure to situate projects within wider organizational and national frameworks, thus diminishing development results. Similarly, evaluations continue to recommend that, at the country level, UNDP should focus on a small number of national priorities with clear strategies for delivery as a basis for enhancing operational effectiveness and efficiency as well as the sustainability of benefits. The evaluative evidence, as in the case of microcredit finance in Benin, small and micro-enterprise in Bulgaria or desertification control in China, demonstrate the importance of beginning with pilot demonstrations, testing the results and scaling up the activity. Such initiatives should resist the temptation to spread resources in an attempt to increase programme coverage, especially when the programme is engaged in piloting and modelling innovations.

67. UNDP continues to seek organizational improvement through the re-engineering and introduction of new systems, notably Atlas. It has been recommended that this be balanced against the need for stability to retain strong partnerships and ensure delivery. Delivery itself continued to remain an important indicator of organizational performance, but needs to be defined more broadly as expenditure towards impact, so as to measure and ensure the performance of a knowledge organization. Assessment for development results remains a challenge: assessments pointed to the need for greater incentives to feed lessons into new interventions in the same countries, other countries of the same region and worldwide.

68. Most UNDP programmes engaged in capacity-building to create and strengthen institutions. However, evaluations point out that capacity is not always being built at all levels or even at the most appropriate levels. Where the lack of resources hinders the continuity of efforts, thus endangering long-term

sustainability, careful consideration of risk and adequate planning for resource mobilization is required.

69. Building national ownership refers to gaining the commitment of stakeholders, enhancing opportunities for their participation in development decision-making and improving transparency and accountability measures to ensure meaningful participation. Evidence from evaluations suggested that although strong national ownership may exist in specific initiatives, UNDP can maximize or build on this potential to foster greater involvement only when it has positioned itself appropriately in the policy arena. The lack of national ownership in such cases of UNDP initiatives limited long-term sustainability and impact.

V. Future directions for evaluation

70. During 2005, UNDP will define its evaluation policy. This will be consistent with the norms and standards for evaluation in the United Nations system which were adopted by UNEG in April 2005. Critically, the coverage of evaluation at the country level will be determined to feed the UNDAF. The tracking of evaluation recommendations will be systematized for centrally managed evaluations, and consideration will be given to how best to improve and ensure the utilization of findings at decentralized levels. For evaluation to be used, it must be useful, and thus efforts will continue to improve the quality of guidance, selection and briefing of consultants, and reviews of their performance.

71. The year 2005 will see the completion and initiation of a number of centrally managed evaluations. Thematic and organizational evaluations will include HIV/AIDS in Southern Africa and Ethiopia, poverty-governance linkages, gender mainstreaming, NHDRs, transition assistance in the immediate post-crisis period, an evaluation of the regional cooperation framework of the Arab States, and a United Nations inter-agency evaluation of the tsunami assistance. ADRs in Honduras, the Syrian Arab Republic and Yemen will be completed, and new ADRs will be undertaken in Haiti, Malawi, Pakistan, Rwanda, Serbia and Montenegro, and Uzbekistan. The fourth development effectiveness report will also be completed.

72. For UNCDF and GEF, project evaluations at mid-term and project end remain relevant and required. In addition, impact assessments will be conducted on request. As UNCDF receives increasing non-core programme support from other donors, and in light of the fact that much UNCDF programming is done jointly with UNDP, the UNCDF Evaluation Unit will actively pursue opportunities for joint evaluation in close collaboration with donors, UNDP and other stakeholders at local level, and will align its evaluation function accordingly. The need for incorporating GEF-funded operations more closely into UNDP evaluations at country and programme levels has been recognized as a priority for 2005.

73. UNIFEM will continue ongoing efforts to align its evaluation policies and practices with its approved MYFF for 2004-2007 and to ensure the wide application of gender and human rights-based principles. It will seek to strengthen its programming processes to ensure that effective evaluation requirements are put in place in the initial stages of programme design. Likewise, UNV, as a matter of policy, will build its involvement in joint evaluations as a way of strengthening partnerships with other agencies and contributing to a more adequate reflection of UNV contributions to the achievements of United Nations agencies and organizations. To facilitate this, at the corporate level, UNV will seek more active participation in the work commissioned

through UNEG and, at the programme level, work to internalize the findings and lessons from evaluation. A guidance note will be developed on the added value of volunteers and volunteerism in development interventions.

74. In responding to the General Assembly resolution 59/250 on enhancing government leadership of evaluation, UNDP and its associated funds and programmes will continue to strengthen capacity among partner institutions and professional networks and to pilot innovative approaches to partner-led evaluations. These actions will together improve the organization's relevance, accountability and its contribution to development effectiveness.

Annex
Evaluation statistics

A. Coverage and focus of evaluation

75. During the year, 280 evaluations were conducted by UNDP and its associated funds and programmes across the globe and recorded in the Evaluation Resource Centre. As figure 1 illustrates, 95 evaluations, or 34 per cent of the total number, were conducted to assess progress in achieving the MDGs and poverty reduction, followed by the evaluations of UNDP and GEF work in supporting energy and the environment for sustainable development (83 evaluations, 30 per cent). Of every five evaluations conducted, one was in the other critical area of UNDP work, fostering democratic governance.

Figure 1. Total number of all evaluations conducted in each goal area in 2004

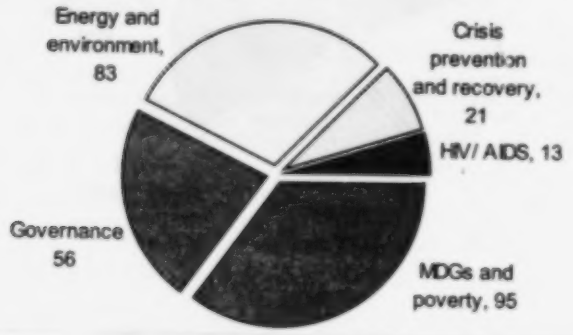

Table 1. Total number of evaluations conducted, by goal and region

Goal	All	Africa	Arab States	Asia & Pacific	Europe and CIS	Latin America/ Caribbean	Global
MDGs and poverty	95	21	12	33	20	6	3
Governance	56	11	7	14	17	11	0
Energy and the environment	83	14	8	32	14	9	6
Crisis prevention and recovery	21	7	1	4	7	2	0
HIV/AIDS	13	7	0	3	0	1	1
Total	273*	61	28	86	58	29	10

*7 cross-goal evaluations are not counted to make up the total of 280

76. The majority of these evaluations took place in Asia and the Pacific, both in absolute terms and in proportion to the number of countries in the region in which UNDP operates. As figure 2 illustrates, 84 per cent of offices in Asia and the Pacific conducted evaluation during the year, in comparison with 50 to 60 per cent of offices in each of the other four regions. The depth of evaluation was found to be more variable, ranging from an average of 4.2 evaluations (per office that conducted at least one) in Asia and the Pacific, to 1.9 evaluations per office in Latin America and the Caribbean.

Figure 2. Percentage of countries in which at least one evaluation has been conducted

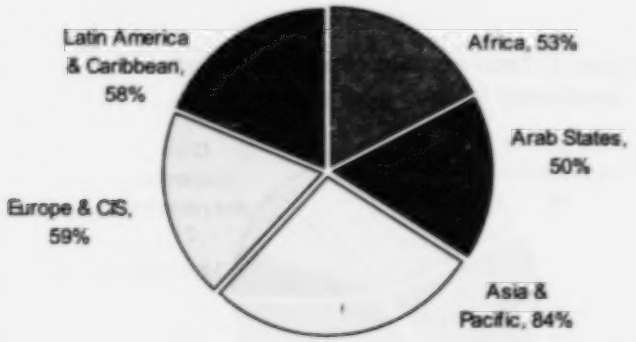

Table 2. Coverage and frequency of all decentralized evaluations* in 2004

	All	Africa	Arab States	Asia & Pacific	Europe & CIS	Latin America/ Caribbean
Percentage of countries in which at least one evaluation was conducted	**60%**	53%	50%	84%	59%	58%
Average number of evaluations (per country that conducted at least one)	**3.1**	2.6	3.1	4.2	3.9	1.9

* Outcome and project evaluations only, as conducted by UNDP and its associated funds and programmes

B. Evaluation differentiated by type and fund

77. Of the 280 evaluations conducted 2004, 76 per cent were conducted at the project level. The majority of these were conducted by UNDP, the largest single programme. As table 3 illustrates, 74 per cent of these evaluations were carried out by UNDP, followed by GEF, with 17 per cent. The high frequency in GEF reflects both the breadth of the environment portfolio and its requirement to evaluate all projects at mid- and end-term.

Figure 3. UNDP and associates: evaluation by type 2004

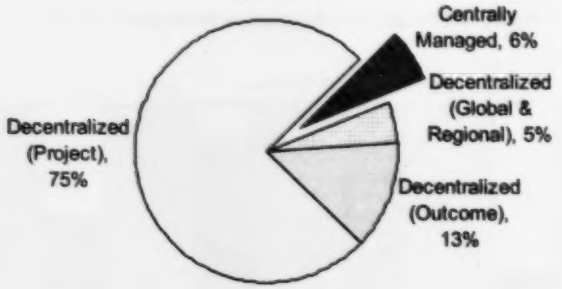

Table 3. Evaluations conducted per agency per type, 2004

Agency	All	% by agency	Centrally managed evaluation	Decentralized evaluation		
				Global and regional	Outcome	Project
UNDP	207	74%	4	5	37	161
UNIFEM	7	3%	2	4	0	1
UNCDF	5	2%	5	0	0	0
GEF	47	17%	3	4	0	40
UNV	12	4%	2	1	0	9
MLF	2	1%	2	0	0	0
Total	**280**	**100%**	**18**	**14**	**37**	**211**
% total			6%	5%	13%	75%

Note: 'Centrally managed' refers to evaluations commissioned by central evaluation units or equivalent; 'decentralized' refers to those evaluations commissioned by operational units

C. UNDP evaluation compliance

78. In accordance with the current evaluation policy, certain evaluations are mandatory at corporate and country levels. At the corporate level, these include the evaluations of regional cooperation frameworks, of which one was completed in the 2004 reporting period, with the remaining four planned for 2005 and 2006. At the country level, outcome evaluations are mandatory, the number and focus being determined in accordance with overall country resources and strategy. Compliance is a measure of the number of outcome evaluations completed against the pre-agreed number when the system was introduced in 2002. To ensure that evaluations are functional instruments, the policy stipulates that country offices have full control and flexibility to adjust the timing and focus of evaluation within the cycle, only that the required number are completed when the programme cycle ends.

79. In 15 countries, country offices required to conduct at least one outcome evaluation completed their programme cycles in 2004. As figure 4 illustrates, one third of all offices completed their requisite number; a further third completed at

least one evaluation, but not the full quota. The best performers were in Asia and the Pacific, and Europe and the CIS, the latter having had the highest number of cycle-ending countries. In Africa, the offices in only one country out of four were compliant.

Figure 4. Evaluation Compliance by Region

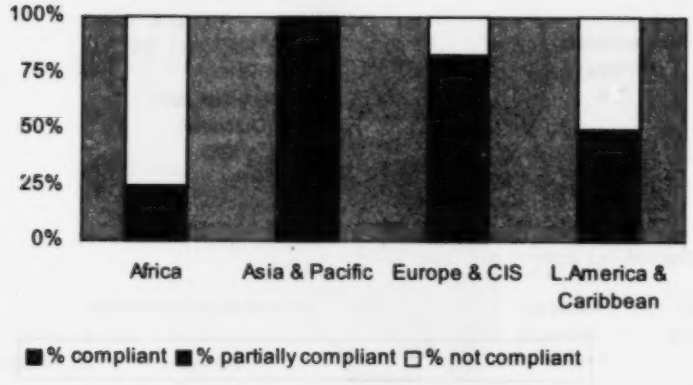

Table 4. Evaluation compliance, 2004

Region	Number of countries	Compliant	Partially compliant	Not compliant
Africa	4	1 (25%)	0 (0%)	3 (75%)
Asia and Pacific	3	2 (67%)	1 (33%)	0 (0%)
Europe and CIS	6	2 (33%)	3 (50%)	1 (17%)
Latin America and Caribbean	2	0 (0%)	1 (50%)	1 (50%)
Total/Average	15	5 (33%)	5 (33%)	5 (33%)

Note: 'Partially compliant' refers to offices that conducted at least one outcome evaluation, but not the required number. No Arab States countries qualified in 2004

80. The performance in countries with programme cycles ending in the 2004 reporting period should be placed in the broader context of an increase in the number of outcome evaluations conducted globally and, as reported, an enhanced awareness and demand for evaluation across the organization. Across UNDP, 37 outcome evaluations were conducted during 2004, a proportional increase of 70 per cent since 2003. The largest share of these was conducted in Asia and the Pacific, but an almost equivalent proportional number was conducted in Europe and the CIS (32 per cent versus 31 per cent, table 5). The majority of these evaluations focused on the core business of UNDP, assessing contribution to the MDGs and poverty reduction, and fostering democratic governance. Outcome evaluations in the energy and the environment sector, while still significant, were less prominent. This reflects the importance placed on project evaluation in this area. An area of concern

is the evaluation of HIV and AIDS outcomes, which dropped from 7 per cent in 2003 to 3 per cent in 2004.

Figure 5. Percentage of countries in which at least one outcome evaluation was conducted in 2004

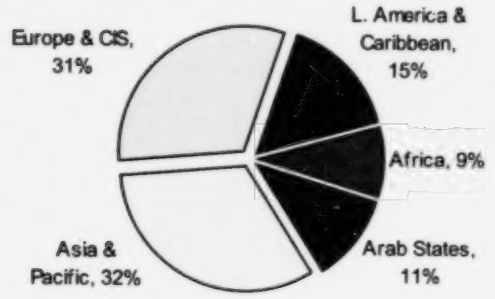

Table 5. Coverage of outcome evaluations, 2004

Region	Number of countries	Number of countries that completed at least one OCE*	Percentage of countries that completed at least one OCE	Number of OCEs
Africa	45	4	9%	4
Arab States	18	2	11%	3
Asia and the Pacific	25	8	32%	10
Europe and CIS	32	10	31%	15
Lat. Amer. and Caribbean	26	4	15%	5
Total/average	146	28	19%	37

*OCE – Outcome evaluation

Figure 6. Outcome Evaluation by Goal in 2004